

<u>City of</u> <u>Huntington Beach</u>

Mills Act Program

The Mills Act allows for an agreement between the City of Huntington Beach and a property owner which provides for reduced property taxes on eligible historic property if the property owner agrees to use the tax savings to maintain and preserve the property as a historic resource.

<u>Key Program</u> Elements

-Participation is voluntary

-Provides an economic incentive to encourage preservation of historic properties

-Property owner commits to preserve and maintain the property for a minimum of 10 years

-Requires \$500 fee and an agreement between the City and the owner of a designated historic property

Background:

Adopted by the California Legislature in 1972, the Mills Act was designed to promote the preservation of property of historical significance by authorizing local governments to grant property tax relief to owners of qualified historic properties. In exchange for this relief, property owners must agree by contract to maintain the properties in accordance with specific historic preservation standards and conditions. The overall intent of the legislation was to provide an incentive for owners to preserve and maintain a community's historic resources.

Does Your Property Qualify:

A qualified historic property is a property listed on any federal, state, county or city register, including: the National Register of Historic Places, California Register of Historical Resources, California Register of Historical Landmarks, State Points of Historical Interest, and City Council Resolution No. 2014-82. Owner-occupied residences and income-producing commercial properties may qualify for the Mills Act Program.

Owner Requirements:

In exchange for the property tax relief realized under Mills Act contracts, property owners must agree to maintain and preserve their properties for at least ten-years in accordance with specific historic preservation standards and conditions. Subject to the discretion of the local government, the contract provides for the restoration or rehabilitation of properties according to the Secretary of the Interior's Standards for the Treatment of Historic Properties.

Contract Terms:

A Mills Act or Historical Property Contract is executed between the City and the property owner for a minimum ten-year term. Contracts are automatically renewed thereafter for one year unless the owner or the City chooses not to renew. Contracts are transferred to new owners when the property is sold. Property owners agree to restore, maintain, and protect the property in accordance with specific historic preservation standards and conditions identified in the contract. Periodic inspections by city or county officials are conducted to ensure proper maintenance of the property. Local authorities may impose penalties for breach of contract or failure to protect the historic property. The contract is binding to all owners during the contract period.

How to Apply:

Applications are available in the City Manager's Office and on the City's website: http://www.huntingtonbeachca.gov. Ten (10) applications will be accepted in the City Manager's Office (4th floor) located at 2000 Main Street between January and March each year on a first come first served basis. A \$500 application fee is required with application.

Questions?

Please contact the City Manager's Office (714) 536 -5202 or visit http://www.huntingtonbeachca.gov.

Additional information is available at: OHP.parks.ca.gov.